Payday Loans?

Name _____
Date _____

C. You haven't been saving your money. You desperately need $100. You decide to go to Payday Loans. Here's how Payday Loans works. You write a check for $116, and they give you $100 cash. In two weeks, they cash your check. You are charged 16% to use the $100 for two weeks. If you don't have that money in the bank in two weeks, they will hold the check another two weeks for an additional 16%. Every two weeks that you don't have the money for them to cash your check, they charge you an additional 16% simple interest.

1. Write a prediction as to whether this is reasonable? Explain your hypothesis.

2. A typical car loan rate is 5% for one year. What would you expect to pay for a $100 loan at the end of the year?

3. A typical credit card loan rate is 20% per year. What would you expect to pay for a $100 loan at the end of the year?

4. The Payday loan company's rate is 16% every two weeks. There are 26 two-week periods in a year. What total percent would this be in a year?

5. What would you expect to pay the Payday Loan Company for your $100 loan at the end of a year?

6. What if you couldn't pay the Payday Loan Company for five years. What would you end up paying back for the $100 loan?

Percent Concentration

1	2	3	4
What would you pay if you got 20% off $50?	$12.72	If the tax rate is 6.5%, what is the tax on $80	If you paid $16.05 for a $15 item, what was the tax rate?
5	6	7	8
40 is 25% of what this number	$40	7%	What would you pay for a $12 item with 6% tax?
9	10	11	12
9.9 out of 13.2 is what %?	30	Percent means per or out of 100	75%
13	14	15	16
60 % of What number is 18?	Define “Percent”	160	$5.20

Put the game on a transparency. Put small post-its over the squares. Have students select the number of a square. Lift the flap post-it. Have the student select a number for a square they think may be a match. Lift that. When students find a match, the post-its are removed from the two squares and a point is given to that team.

Answers:
1-6, 2-8, 3-16, 4-7, 5-15, 9-12, 11-14, 13-10,